



LEADLINE

APRIL 2014

Intel for savvy South Carolina Port clients.

SIGN-UP AND ARCHIVE AVAILABLE: WWW.SCSPA.COM



DISTRIBUTED MONTHLY BY THE S.C. PORTS AUTHORITY

BMW Announces Another Major Expansion

TOP STORY

BMW announced in March that it will invest another \$1 billion in its Greer, SC manufacturing plant, its second major expansion in the last two years. The new investment includes the establishment of a fifth vehicle platform at Plant Spartanburg, the X7. Total units produced at the site is expected to grow from 350,000 per year to 450,000 making it the highest production capacity plant in the BMW system by the end of 2016. Currently, about 70% of the vehicles are exported. The news on the X7 comes on the heels of the announcement in January 2013 that BMW will be producing the X4 in Greer, a \$900 million investment. BMW will soon be producing the X3, X4, X5, X6 and X7 model Sports Activity Vehicles at Plant Spartanburg. Since the original decision to build BMW's only U.S. plant in South Carolina in 1992, BMW's investment in South Carolina has totaled \$6.3 billion. This latest announcement represents its largest, single investment to date in its South Carolina presence and the fifth major expansion of the plant. South Carolina's automotive industry has quadrupled in the past two decades, according to South Carolina Department of Commerce data. The sector employs approximately 46,700 South Carolinians at more than 250 firms.



Plant Spartanburg will be the only manufacturing location for the new BMW X4 "Sports Activity Coupe."

MORE LEADS

Harbor Deepening Moves Forward; Charleston Harbor Project On-Schedule

Progress continues to be made in the timely deepening of the Port of Charleston. The President's 2015 executive budget includes more than \$15 million in critical funding for SC Ports Authority projects, including the Post-45 harbor deepening project. The Administration allocated the requested \$695,000 to continue the U.S. Army Corps of Engineers feasibility study of the Charleston Harbor deepening. The project's Draft Environmental Impact Statement is scheduled to be released later this year and the Chief's Report in September of 2015, which will recommend to Congress a depth to dredge the harbor. The President's budget would ensure all aspects of the project remain on time and within budget. Charleston Harbor is designated to receive \$1.57 million in construction funding and \$13.15 million in operations and maintenance funding. While Charleston already offers the deepest draft capability in its port region, deepening is required to handle the larger container ships being deployed on the US East Coast without tidal restrictions. The objective is to deepen the Port of Charleston to allow 24/7 access for ships drafting 48-feet. Charleston is the only port in the region capable of achieving that required level of vessel performance. For regular updates on the deepening project please e-mail your request to SCSPAinfo@scspa.com.

500-Ton Barge Crane Now In Charleston

The *Ocean Ranger*, a new 500-ton heavy-lift barge crane, is now based in Charleston to handle growing project cargo volumes. Its first lift was a 308-ton generator loaded onto a barge for upriver transport from Columbus Street Terminal. The *Ocean Ranger* is owned by Charleston Heavy Lift, Inc. The South Carolina Ports Authority invested in the construction of the crane to ensure priority access and dedicated service over the life of the crane for the Port of Charleston. The crane has a 500-ton lift capacity and a lift rating of up to 740-tons. The barge is 200-feet long with a 162-foot lifting boom. The barge crane was locally manufactured by Metal Trades, Inc. at their shipyard in Yorges Island. It will be docked on the Cooper River near Veterans Terminal.



CII Bringing National Container Freight Panel Discussion to Charleston May 20

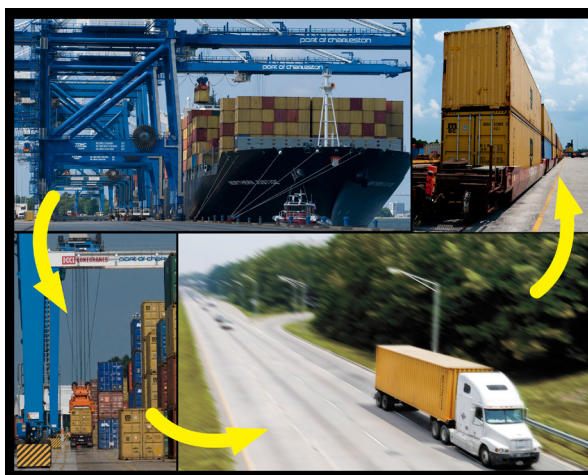
The Containerization & Intermodal Institute will bring a one-day seminar to Charleston on May 20 including the panels "Container Freight Outlook," "Encouraging Export Growth," and "Modal Shift, Increasing Rail Volume." The seminar will be held at the Renaissance Charleston Historic District Hotel. This is the third one-day seminar to be held by the Containerization & Intermodal Institute, one in Chicago and last year's successful seminar and networking event in Houston. Jim Newsome, President & CEO, South Carolina Ports Authority, is confirmed as the luncheon speaker. Additional speakers and panelists will be announced. The luncheon will be followed by panel discussions including major shippers, ocean carriers, freight forwarders, and railroads officials. Moderators include, Joseph Bonney, Senior Editor of *The Journal of Commerce* and Hayes Howard, CEO and Publisher of *American Shipper*. Tickets per person are \$125, which includes the luncheon and reception. Event sponsorships range from \$1000 to \$5,000 and include attendance at the entire event, depending on level of sponsorship. Proceeds go to fund CII scholarships, which have exceeded \$500,000 since 1992. Additional information is available from CII Executive Director, Barbara Yeninas or the Event Manager, Suzie Chu at info@containerization.org, (732) 817-9131, or visit www.containerization.org.

Odfjell To Open Charleston Facility

Norway-based Odfjell Holdings recently opened a new bulk cargo distribution facility in North Charleston, SC. The facility has 40 tanks, a marine terminal with deepwater access on the Cooper River shipping channel, and inland connectivity via rail and truck. Tank capacity is 160,000cbm or ~1 million barrels. Odfjell is reported to have made the move to create an East Coast operation to serve the growing shale gas and petrochemical markets. The North Charleston operation will give Odfjell the ability to provide transloading of bulk projects between various modes of transport for both imports and exports. Vessels are able to dock at the plant and transload directly to/from the tanks. Odfjell will also provide importer/exporters using ISO marine containers world class transload capabilities between tanks, rail cars, and containers.

Dupuy Group Chooses Charleston

Coffee imports via Charleston have more than doubled in the last five years, a trend expected to accelerate after the announcement of a leading coffee logistics firm. New Orleans-based Dupuy Group has selected the Port of Charleston as the location of its next coffee-handling and warehousing operation. Dupuy's 100,000sf building on Palmetto Commerce Parkway will provide value-added services for coffee clients. Dupuy is a 78-year-old firm known for relationships with many of the leading coffee retail brands and operating 1,500,000sf of warehouse space in Louisiana, Texas, and Florida. While the new facility in Charleston will handle coffee, opportunities exist for diversification as Dupuy also provides value-added services for tea, sugar, chicory and many other foodstuffs as well as agricultural products, building materials, metals and general cargo. The move bolsters the Port of Charleston's role in the coffee market, adding to services already offered locally by Continental Terminals and OHL.



RapidRail Speeding Intermodal Moves

The SC Ports' RapidRail service is proving to be a valuable tool in increasing the velocity and volume of intermodal rail shipments via the Port of Charleston. RapidRail is the SCPA's rail transfer service that expedites cargo flows between the NS and CSX intermodal rail heads and the port's container terminals. In March alone the RapidRail program handled more than 13,000 container moves. With the SCPA playing a key role in the planning and dispatching of the moves, containers may begin moving to the railhead as soon as they are cleared and grounded in the yard without the 24-48 hour delay that some ports require. Other key benefits include smoother EDI communications, auto-generated job orders, job orders being supplied prior to vessel arrival, and the simplicity of a single point of contact. RapidRail is a key ingredient in the recent rise in intermodal moves in Charleston. Intermodal lift, for NS and CSX combined, is up 50% since 2011.

Starflo Expanding Distribution Center in SC

Industrial valve manufacturer Starflo Corp. has broken ground on a new distribution center in Clarendon County, SC. The new facility will consolidate some operations of its Manning and Orangeburg, SC manufacturing facilities as well as Starflo facilities nationwide. The expansion is expected to double Starflo's distribution center capacity while bringing online new equipment to increase machining capacity and efficiency. Starflo is a division of the Wm. Powell Company. The company's manufacturing plant and distribution center in Manning is a registered foreign-trade zone facility.

Sign-Up For Backstage Tours

The South Carolina Ports marketing team provides a quarterly behind-the-scenes tour of port facilities for transportation professionals and cargo owners. The next tour is scheduled for July 17. Space is limited to 20 participants. To make a reservation please contact Suzan Carroll-Ramsey via e-mail at SCarroll-Ramsey@scspa.com.

Follow us on social media...



The South Carolina Port LeadLine is a monthly e-newsletter of the SC Ports Authority. Subscribe, manage your account, and review the archive by visiting www.SCSPA.com and clicking Client Advisory.